

## § 200.10

under, the Act and to conduct any investigation it deems necessary to determine existing or potential violations of the Act. It also authorizes the Commission to prepare reports to security holders on the fairness of plans of reorganization, merger, or consolidation. The Commission may institute a court action to enjoin acts or practices of management involving, among other things, a breach of fiduciary duty and the consummation of plans of reorganization, merger, or consolidation that are grossly unfair to security holders.

(f) *Investment Advisers Act of 1940*. Persons who, for compensation, engage in the business of advising others with respect to their security transactions must register with the Commission. Their activities in the conduct of such business are subject to standards of the act which make unlawful those practices which constitute fraud or deceit and which require, among other things, disclosure of any interests they may have in transactions executed for clients. The Act grants to the Commission rule-making power with respect to fraudulent and other activities of investment advisers.

(g) *Chapter 11 of the Bankruptcy Code*. Chapter 11 of the Bankruptcy Code (11 U.S.C. 1101 *et seq.*) provides for Commission participation as a statutory party in reorganization cases. Under section 1109(a) of the Bankruptcy Code (11 U.S.C. 1109(a)), which also applies to Chapter 9 cases regarding municipalities, the Commission “may raise and may appear and be heard on any issue in the case.”

(11 U.S.C. 901, 1109(a))

[27 FR 12712, Dec. 22, 1962, as amended at 49 FR 12684, Mar. 30, 1984; 60 FR 14624, Mar. 20, 1995]

### GENERAL ORGANIZATION

#### § 200.10 The Commission.

The Commission is composed of five members, not more than three of whom may be members of the same political party. The members are appointed by the President, with the advice and consent of the Senate, for 5-year terms, one term ending each year. The Chairman is designated by the President pursuant to the provisions of section 3 of Reorganization Plan No. 10 of 1950 (3

## 17 CFR Ch. II (4–1–09 Edition)

CFR, 1949–1953 Comp., p. 1006). The Commission is assisted by a staff, which includes lawyers, accountants, engineers, financial security analysts, investigators and examiners, as well as administrative and clerical employees.

#### § 200.11 Headquarters Office—Regional Office relationships.

(a)(1) Division and Office Heads in the Headquarters Office (100 F Street, NE., Washington, DC 20549) have Commission-wide responsibility to the Commission for the overall development, policy and technical guidance, and policy direction of the operating programs under their jurisdiction.

(2) Each Regional Director is responsible for the direction and supervision of his or her work force and for the execution of all programs in his or her office’s region as shown in paragraph (b) of this section, in accordance with established policy, and reports, on enforcement matters, to the Deputy Director of the Division of Enforcement who is responsible for Regional Office enforcement matters and, on examination matters, to the Director of the Office of Compliance Inspections and Examinations. The Director of Regional Office Operations interacts with the Regional Directors and their staff on operational and administrative/management issues and serves as their representative in the Commission’s Washington Headquarters in those areas.

(b) Regional Directors of the Commission.

Atlanta Regional Office: Alabama, Georgia, North Carolina, South Carolina, and Tennessee—Regional Director, 3475 Lenox Road, NE., Suite 1000, Atlanta, GA 30326-1232.

Boston Regional Office: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont—Regional Director, 33 Arch Street, 23rd Floor, Boston, MA 02110-1424.

Chicago Regional Office: Kentucky, Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio, and Wisconsin—Regional Director, 175 West Jackson Boulevard, Suite 900, Chicago, IL 60604-2908.

Denver Regional Office: Colorado, Kansas, Nebraska, New Mexico, North Dakota, South Dakota, and Wyoming—Regional Director, 1801 California Street, Suite 1500, Denver, CO 80202-2656.

Fort Worth Regional Office: Arkansas, Kansas (for certain purposes), Oklahoma, and Texas—Regional Director, Burnett